**Section 365.140 Uses of the Water Pollution Control Loan Program**

The Water Pollution Control Loan Program shall be used and administered by the Agency for the following purposes.:

a) to make loans, on the condition that:

1) the loans are made at or below market interest rates at terms not to exceed the lesser of 30 years and the projected useful life of the project to be financed with the proceeds of the loan pursuant to Section 365.220;

2) annual principal and interest payments will commence not later than one year after completion of any project and all loans will be fully amortized upon the expiration of the term of the loan;

3) the recipient of a loan will establish a dedicated source of revenue for repayment of loans;

4) the fund will be credited with all payments of principal and interest on all loans; and

5) for a treatment works proposed for repair, replacement, or expansion, and eligible for assistance under Section 365.130(a):

A) the recipient of a loan shall develop and implement a fiscal sustainability plan that includes the elements listed in Section 365.350(a)(7).

B) the loan recipient shall certify that the recipient has developed and implemented a fiscal sustainability plan pursuant to Section 365.460(a)(5);

b) to buy or refinance the debt obligation of municipalities and intermunicipal and interstate agencies within the State at or below market rates, when the debt obligations were incurred after March 7, 1985;

c) *to make loans, including, but not limited to, loans through a linked deposit program, at or below market interest rates for the implementation of a management program established under Section 319 of the CWA* [415 ILCS 5/19.3(b)(3.5)];

d) *to guarantee or purchase insurance for local obligations where such action would improve credit market access or reduce interest rates* [415 ILCS 5/19.3(b)(4)];

e) *as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the State or any political subdivision or instrumentality thereof, if the proceeds of such bonds will be deposited in the Water Revolving Fund* [415 ILCS 5/19.3(b)(5)];

f) to provide loan guarantees for similar revolving funds established by municipalities or intermunicipal agencies;

g) to earn interest on fund accounts;

h) *for the reasonable costs of administering the Water Revolving Fund* [415 ILCS 5/19.3(b)(6)];

i) *to transfer funds to the Public Water Supply Loan Program* [415 ILCS 5/19.3(b)(7)]; *and*

j) *to provide any other financial assistance that may be provided under Section 603 of the CWA for any other projects or activities eligible for assistance under that Section or federal rules adopted to implement that section* [415 ILCS 5/19.3(b)(8)].

(Source: Amended at 43 Ill. Reg. 11141, effective October 1, 2019)